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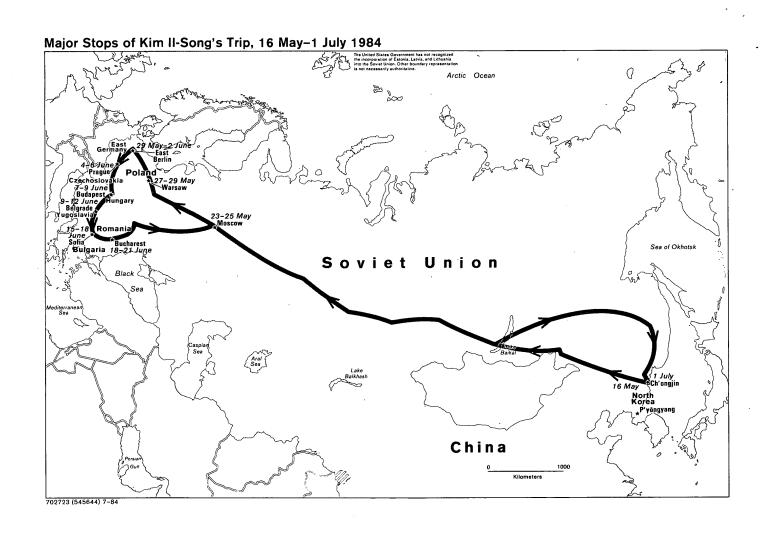


DIRECTORATE OF INTELLIGENCE

11 July 1984

| North Korean President Kim Il-song's six-week visit to the Soviet Union and Eastern Europe ended 1 July, having restored greater balance to P'yongyang's triangular relationship with Moscow and Beijing. Publicly Kim and his hosts emphasized expressions of solidarity on political issues, but Moscow failed to endorse specifically Kim's proposal for tripartite talks with Washington and Seoul. Nor did the Soviets or the East Europeans offer public support for his plans to transfer power to his son, Kim Chong-il. Moscow pledged project development assistance but claims to have deferred decisions on military aid, and we believe that the Soviets remain unwilling to transfer advanced equipment if it would alter the balance of power on the Korean peninsula. Beijing is concerned about the warming of North Korean-Soviet relations, but we do not believe that the Moscow meetings will fundamentally alter the extent of influence that the Soviet Union has in North Korea. |
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| memorandum was prepared by Korea Branch, Northeast Asia ision, Office of East Asian Analysis. Information available as of 10 July 4. Comments and gueries are welcome and may be directed to the Chief, ea Branch, Northeast Asia Division, OEA |

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The Political Context The visit of Kim Il-song to Moscow after an absence of 23 years, while apparently short on concrete political accomplishments and not likely to alter significantly the complex 25X1 web of political relationships in Northeast Asia, has better balanced North Korea's dealings with the Soviet Union and China. Negotiations for such a visit had been under way sporadically since the late 25X1 1970s, failing to reach an earlier agreement, we believe, because of differences in Soviet and North Korean positions on a wide range of political issues. 25X1 We believe that a visit at this time reflected several considerations: Some strain in North Korean relations with China owing to P'yongyang's concerns about the warming trend in Sino-US relations, as well as that in the relations of South Korea with the United States, Japan, and China. Kim's desire for greater maneuverability, and therefore greater independence, in manipulating big power relations to his advantage. 25X1 The launching of a new economic program in late 1984 or early 1985 for which the North Koreans want aid that the Soviet Bloc, but not the Chinese, can offer. For their part, Soviet responsiveness to a visit may have been helped by continuing strains in Soviet relations with China, Japan, and the United States. Indeed, the trip marks Moscow's first diplomatic success in Asia following the shootdown of the South Korean airliner last fall. 25X1 Leadership changes in Moscow may also have facilitated a visit at this time. Soviet officials, particularly in the Foreign Ministry, have long expressed a distaste for Kim Il-song and the opinion that he was dangerous and unpredictable. We believe such views may have reflected a personal dislike for Kim on the part of the late Leonid Brezhnev. If this is indeed the case, Brezhnev's death in 1982 may have created new opportunities for P'yongyang. 25X1

Such considerations notwithstanding, the Soviets (and by extension most of their East European allies) and the North Koreans remain divided on several key international issues as well as on the issue of most fundamental importance to P'yongyang--reunification of the Korean peninsula.

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At each stop, nonetheless, Kim took pains to emphasize solidarity on issues where common positions do exist and to gloss over issues of contention. This was especially clear during the Soviet portion of the trip. At the Kremlin dinner on 23 May, Kim ignored General Secretary Chernenko's veiled attack on China, emphasizing instead North Korean support for standard Soviet positions opposing NATO nuclear deployments in Western Europe and an alleged US-Japan-South Korean "military alliance."

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Yuriy Fadeyev, the ministry's foremost Korea expert, has told US Embassy officials in Moscow that unanimity prevailed on all issues except Kampuchea. Kim's close personal relationship with Norodom Sihanouk has been the determining factor in North Korean support for the anti-Vietnamese coalition in Kampuchea, a policy that dovetails with China's interests.

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But less visible disconnects apparently existed as well. If Kim went to Moscow seeking recognition of his arrangements to have his son succeed him (see Appendix), the Soviets were not forthcoming in public. Nor did the Soviets publicly endorse Kim's bid for tripartite talks with the United States and South Korea. Instead they chose to repeat previous endorsements of Kim's "peaceful reunification" efforts, once again registering their insistence that Soviet interests are not ignored any future deliberations on the Korean Peninsula.

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Political atmospherics in Eastern Europe echoed the emphasis on socialist solidarity. The signing of friendship treaties with East Germany and Bulgaria was the most visible evidence of the effort. At each stop, the North Koreans and the East Europeans strove to mute differences. Most of the East Europeans followed Moscow's lead in lending broad support to Kim's reunification goals, but East Germany, Romania, and Yugoslavia went further. explicitly supporting Kim's tripartite proposal.

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We believe that the Hungarian reaction to the visit--which the US Embassy in Budapest reported as more of an "alliance duty" than anything else--holds true for most of the East European countries, most of which Kim had not visited in almost 30 years. Even in Yugoslavia, with its special bonds to North Korea as common independent communists and nonaligned members, officials showed palpable distaste for the excessive pomp and massive security arrangements surrounding "socialism's first emperor," as one Yugoslav official wryly put it.

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North Korea also announced its withdrawal from the Los Angeles Olympics shortly after Kim departed Moscow.

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The Military Dimension

North Korean interest in using the trip to negotiate military aid agreements apparently focused solely on the Soviet Union: both O Chin-u, the Minister of Defense, and Kim Tu-nam, chief of the Korean Workers Party (KWP) military affairs department, left the entourage following its first stop in Moscow. Neither North Korean nor Soviet media have offered any details of the talks O had with Defense Minister Ustinov, but Deputy Foreign Minister Mikhail Kapitsa has told our Embassy in Moscow that any decision on providing military aid will have to await drafting of the new Soviet economic plan, set to begin in 1986.

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We believe it likely that the O-Ustinov discussion dwelt primarily with the question of additional Soviet supply of defensive weapons and spare parts. In recent years, Moscow has repeatedly turned aside North Korean requests for advanced equipment--such as MIG-23s--that could alter the balance of power on the Korean peninsula. We see no signs that the Kremlin, even in the wake of the Kim visit, is inclined to support a more adventuristic, aggressive North Korean policy toward South Korea. We cannot rule out the possibility, however, that Moscow could review this bidding once Washington begins delivering F-16s to Seoul in 1986.

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Soliciting Economic Aid

production.

Officials responsible for economic affairs constituted the core of the entourage and included not only P'yongyang's senior planners but those responsible for military industries as well.

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Publicized economic discussions in the Soviet Union focused on the provision of ruble aid to underwrite the costs of new project construction. In Eastern Europe, meanwhile, the focus was on the transfer of technology and the exchange of technical experts.

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Party secretary Yon Hyong-muk and Political Committee candidate member Chon Pyong-ho joined the party in Eastern Europe. They both play a vital role in managing the North Korean military-industrial complex.

Chon was identified by the Yugoslav press as the vice chairman of the Second Economic Committee, the organization under the cabinet that is directly responsible for weapons

North Korean Premier Kang Song-san and his Soviet counterpart, Nikolai Tikhonov, handled economic negotiations in Moscow. Speaking to the press afterwards, Tikhonov implied that Soviet aid, although likely to be substantial, will nonetheless fall well short of what P'yongyang sought. Subsequent to Kim's departure from Moscow, Fadeyev told US Embassy officials that among the projects under discussion are increased oil deliveries and construction of factories for which North Korea will pay by supplying to the Soviet Union a portion of those factories' output. According to Fadeyev, negotiations on 33 industrial projects are continuing.

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Fadeyev has also confirmed that the North requested aid in establishing a nuclear power industry, but we lack information on how Moscow intends to respond.

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The largest number of economic experts--including Yon Hyong-muk and Chon Pyong-ho--joined the North Korean tour of the industrialized heartland of Eastern Europe. Factory visits played an important role in these countries, covering precision engineering in Poland, metallurgy and semiconductors in East Germany, silicon sheets, aircraft, and automobiles in Czechoslovakia, and buses in Hungary. The emphasis in Yugoslavia, Bulgaria, and Romania was mainly on electronics.

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North Korea has targeted these areas for special investment attention and-dependent on outside sources for infusions of higher technology-has been searching for aid. All of the technologies touched on in these factory visits are vital to the rapid expansion and growing sophistication that we are witnessing in the North's military industry, particularly in the area of aircraft production.

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The North Koreans signed economic and scientific protocols in East Germany, Czechoslovakia, Bulgaria, and Romania. They also received public pledges of cooperation in the processing of raw materials, metallurgy, and machine construction. In view of East European economic priorities and problems, however, we believe these agreements are unlikely to result in substantial economic benefits for North Korea.

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³ Such arrangements have typified Soviet aid to North Korea in recent years. North Korea, for example, is repaying its debts by exporting to the Soviet Union a good share of the batteries produced at the Soviet-build Taedonggang Battery Factory in P'yongyang.

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Multilateral Implications

The Chinese have so far taken a low-key approach to Kim's trip. Chinese media have reported the trip in a straightforward manner and Chinese officials have noted implicit differences between the North Korean and Soviet positions on issues of importance to China--such as Soviet policy in Vietnam.

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Nonetheless, Beijing has demonstrated some unease about the trip. According to the US Embassy in Beijing, Party General Secretary Hu Yaobang delayed his briefing of Ambassador Hummel on his own trip to North Korea for a month until he had assessed the results of the Moscow portion of Kim's trip. Moreover, according to press reports, Hu told the visiting former Japanese Foreign Minister Miyazawa on 6 July that he had not yet received a full briefing from the North Koreans on the trip.

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The trip may yet bring to the fore some latent tensions in China's relations with North Korea. Chinese leaders have indicated privately that they have little leverage with Kim Ilsong and are especially concerned that Kim could strike agreements with Moscow leading to greater Soviet involvement on the peninsula--and more intense pressure on the Chinese to woo the North. Further, China and North Korea differ over Chinese policy toward the US and Japan--and to a degree over the way to approach tripartite talks on Korea.

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As a result, in the aftermath of Kim's trip, Chinese leaders will probably work to strengthen ties with North Korea. Beijing, which has already effectively endorsed Kim's succession plans, has stepped up the exchange of high-level political and economic delegations with the North. Beijing is also likely to highlight its solidarity with North Korea by continuing its strong public endorsement of North Korea's tripartite initiative and calls for US troop withdrawals from South Korea.

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Despite China's concerns, Kim's trip will probably not, in our view, give Moscow a competitive edge over Beijing in relations with P'yongyang. Kim's preoccupation with maintaining an independent stance—the national ideology remains juche, or self-reliance—creates inherent strains in North Korea's relations with the Soviet Union. Unlike Beijing, P'yongyang does not publicly condemn the USSR as a hegemonistic power, but it does view the Soviets in that light and this colors the North Korean position on many specific issues.

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In addition to differences on Kampuchea, North Korea and the Soviet Union remain divided on the questions of China and Afghanistan. Kim and his Soviet hosts sidestepped any public references, and may indeed even have avoided private discussion,

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of such contentious topics. Nor are there any signs that the meetings changed Soviet attitudes in two other areas:

- -- The Soviets view with contempt North Korea's extreme cult of personality, which embraces Kim's attempt to engineer the first familial succession in the Communist world.
- -- Moscow may believe that a certain amount of tension on the peninsula works to its advantage, but the Soviets nonetheless remain concerned that Kim will take aggressive actions that could threaten stability in Northeast Asia.

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Finally, we do not believe the talks in Moscow will result in a new role for the Soviets in brokering initiatives for a reduction of tensions in Korea. Moscow's desire to drive home the point that the Soviet Union cannot be ignored in any Korean settlement may have been a deciding factor in the Soviet decision to welcome Kim at this time. Certainly it is the deciding factor behind Moscow's refusal to endorse the tripartite talks proposal with which the Chinese are associated.

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| | Appendix | 2 |
| The Status of Kim Il- | song | |
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| Assertions in th | e South Korean press that | the visit was |

Assertions in the South Korean press that the visit was Kim's "swansong," setting the stage for a near-term transfer of power to his son, Kim Chong-II, may draw on these conflicting reports as well as on the high profile the junior Kim maintained at home during his father's absence. North Korean media during May-June celebrated the economic successes for which Kim Chong-il is responsible and highlighted his inspection tours, for the first time to heavy industrial sites and without shared billing with other senior officials. North Korean media also emphasized the son's growing grasp of party and military affairs, and the party newspaper quoted people as saving the younger Kim was "correctly leading" the country.

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